AMENDED IN SENATE JUNE 17, 2003 AMENDED IN ASSEMBLY JUNE 2, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

ASSEMBLY BILL

No. 896

Introduced by Assembly Member Diaz

February 20, 2003

An act to add Section 20322.5 to-of the Government Code, relating to public employees' retirement, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 896, as amended, Diaz. Public employees' retirement benefits. Under the Public Employees' Retirement Law, retirement benefits are based in part on the number of years of service credit—of for a member.

This bill would, contingent upon the election of the local agency, authorize specified local members, who were previously excluded from membership, to elect to receive service credit for their previously excluded service by making the required contributions for that service. Contributions are deposited in the Public Employees' Retirement Fund, a continuously appropriated fund. By increasing member contributions to that fund, this bill would make an appropriation.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

SECTION 1. Section 20322.5 is added to the Government Code, to read:

20322.5. (a) A local member may elect to receive service eredit for his or her service previously excluded by subdivision (c) of Section 20322 by making the contributions as specified in Sections 21050 and 21051 at anytime prior to retirement. When this section applies to an employee of a contracting agency, subdivision (c) of Section 20322 may not apply to service with that contracting agency.

- (b) When this section applies to an elective officer or employee of a contracting agency, subdivision (c) of Section 20322 does not apply to service with that contracting agency.
- (b) A local member may elect to receive service credit for his or her service previously excluded by subdivision (c) of Section 20322 by making the contributions as specified in Sections 21050 and 21051 at any time prior to retirement.
- (c) "Final compensation" for the purpose of determining any pension or benefit resulting from state service accrued while in membership pursuant to this section shall be based on the highest average annual compensation earnable by the member during each period of that state service. If that state service is a consideration in the computation of any pension or benefit, the member may have more than one final compensation.

(c)

(d) Notwithstanding subdivision (a), this section does not apply to elected or appointive officers of a contracting agency that is a county superintendent of schools, county office of education, school district, or community college district, who serve on public commissions, boards, councils, or similar legislative or administrative bodies.

(d)

(e) This section does not apply to any contracting agency, nor to the *elective officers or* employees of a contracting agency, until the agency elects to be subject to this section by contract or by amendment to its contract made in the manner prescribed for approval of contracts.